

MONTANA MEDICAID

HEARING AID SERVICES PROVIDER MANUAL

JULY 2001

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INTRODUCTION

The Hearing Aid Services Provider Manual is a supplemental manual to be used in conjunction with the Administrative Rules of Montana, the Department's fee schedule, the HCFA-1500 Instruction manual and the Montana Medicaid Provider Handbook.

Administrative Rule of Montana 37.85.406:

"(16) A person enrolled as an individual provider may not submit a claim for services that the provider did not personally provide, inclusive of services provided by another person under the provider's supervision, unless authorization to bill for and receive reimbursement for services the provider did not personally provide is stated in Administrative Rule or a Montana Medicaid program manual and is in compliance with any supervision requirements in state law or rule governing the provider's professional practice and the practice of assistants and aides. Other providers, including but not limited to hospitals, nursing facilities and home health agencies, may bill for and receive reimbursement for services provided by supervised persons in accordance with the Medicaid rules and manuals and any supervision requirements in state law or rule governing professional practice.

(17) Medicaid coverage and reimbursement is available only for services or items that are provided in accordance with all applicable Medicaid requirements and within the scope of practice permitted under state licensure laws and other mandatory standards applicable to the provider."

Therefore, a person holding a current license to dispense hearing aids issued by the Montana Board of Hearing Aid Dispensers under Title 37, Chapter 16, Montana Codes Annotated, must be enrolled as a Montana Medicaid provider and must be the provider of the service. The Montana Medicaid provider number is specific to the license of the person AND MUST NOT BE SHARED WITH OTHER PERSONS.

A. DEFINITIONS

"Hearing Aid" means an instrument or device designed for or represented as aiding or improving defective human hearing and includes the parts, attachments or accessories of the instrument or device.

"Hearing Aid Dispenser" or "dispenser" means a person holding a current license issued by the Montana Board of Hearing Aid Dispensers under Title 37, Chapter 16, MCA to engage in selling, dispensing or fitting hearing aids. The term does not include any person to the extent that the person acts beyond the scope of the person's hearing aid dispenser license.

“Provider” for hearing aid services is a licensed hearing aid dispenser individually enrolled in Montana Medicaid.

B. BENEFITS

Medicaid payment for purchase or rental of hearing aids will be made only to a licensed hearing aid dispenser for Medicaid covered services provided in accordance with all applicable Medicaid requirements and within the scope of practice permitted under the dispenser's license.

Medicaid individuals must be referred by a physician or mid-level practitioner (physician assistant or advance practice registered nurse) for an audiological evaluation indicating there is no medical reason for which a hearing aid would not be appropriate in correcting the patient's hearing loss.

Medicaid payment for a hearing aid will consist of the manufacturer's invoice price (excluding warranty charges) of the hearing aid: monaural hearing aids, invoice cost up to \$400; binaural hearing aids, invoice cost up to \$800. The invoice must contain the model and serial number of the aid. Medicaid will pay a dispensing fee which includes the initial ordering, fitting, orientation, counseling, two return visits for the services listed, and the insurance for loss or damage covered under an extended one year warranty. The extended one-year warranty will not be paid separately by Medicaid.

A hearing aid will be covered if the examination by a licensed audiologist results in a determination that a hearing aid or aids are needed, and either of the following criteria is met:

- For persons age 21 and older the audiological examination results show that there is an average pure tone hearing loss of at least forty (40) decibels for each of the frequencies of 500, 1000, 2000, and 3000 Hertz in the better ear and word recognition or speech discrimination scores are obtained at a level to ensure pb max.
- For persons age 20 and under the Department or its designee determines after review of the audiology report that the hearing aid would be appropriate for the person.

CRITERIA FOR BINAURAL HEARING AIDS: All of the following criteria must be met for coverage of binaural hearing aids.

1. The two-frequency average at 1 kHz and 2 kHz must be greater than 40 decibels in both ears.
2. The two-frequency average at 1 kHz and 2 kHz must be less than 90 decibels in both ears.
3. The two-frequency average at 1 kHz and 2 kHz must have an interaural difference of less than 15 decibels.

4. The interaural word recognition or speech discrimination score must have a difference of not greater than 20%.
5. Demonstrated successful use of a monaural hearing aid for at least six (6) months.
6. Documented need to understand speech with a high level of comprehension based on an educational or vocational need.

C. LIMITATIONS

1. For individuals age 21 and older, a hearing aid purchased by Medicaid will be replaced no more than once in a 5 year period and only if:
 - a. The original hearing aid has been irreparably broken after the 1 year warranty period or has been lost;
 - b. The provider's records document the loss or broken condition of the original hearing aid; and
 - c. The hearing loss criteria specified in this rule continue to be met; or
 - d. The original hearing aid no longer meets the needs of the individual and a new hearing aid is determined to be medically necessary by a licensed audiologist.
2. **For able-bodied, employable adults age 21 and older who are on Montana's welfare reform project known as FAIM (Families Achieving Independence in Montana), the word "BASIC" appears on the Medicaid card and that individual is NOT eligible for hearing aid services.** There may be situations where the FAIM individual needs a hearing aid for employment. Staff at the local public assistance office assists the FAIM individual in completing "Essential for Employment" paperwork to determine if Medicaid may reimburse for the hearing aid. All criteria stated in this Manual must also be met.
3. Hearing aid services must be prior authorized by the Department. Hearing aid services do not require PASSPORT approval.
4. Rental of hearing aids is limited to 30 days.

D. PRIOR AUTHORIZATION

All claims for hearing aids must be prior authorized before the hearing aid is dispensed to the patient. Requests for prior authorization (PA Requests) of hearing aids are submitted to:

Department of Public Health and Human Services (DPHHS)
Health Policy and Services Division - Medicaid Services Bureau
P.O. Box 202951
Helena, MT 59620-2951

A sample of the Request for Authorization form is included at the back of this manual. Providers may photocopy the form and use as needed. The PA Request form must have section A completed by the provider requesting the hearing aid(s):

The Department's audiology consultant will complete the remainder of the form. Requests must also include:

- ✓ A copy of the referral from the physician or mid-level practitioner,
- ✓ an audiogram, and
- ✓ a report from the licensed audiologist.

The consulting audiologist will determine if the patient meets the criteria for Medicaid reimbursement for a hearing aid. If approved by the consultant, ACS (formerly known as Consultec) will issue the dispenser a prior authorization number. The authorization will identify the individual and their Medicaid ID number as well as the procedure code that has been approved. If the hearing aid is denied, the Department will send a notice to the Medicaid individual and the dispenser, including each person's appeal rights.

E. MEDICAID ELIGIBILITY

PROVIDERS ARE REQUIRED TO CONFIRM MEDICAID ELIGIBILITY. However, because of advance scheduling, changes to appointment dates, and month-by-month eligibility status, **assignment of an authorization number does not guarantee payment if services are outside the Medicaid eligibility span.**

For enrolled Medicaid providers, Montana Medicaid offers four methods for verifying eligibility:

- ✓ **AVRS** - Automated Voice Response System: The AVRS can verify eligibility for specific dates of service. Limited insurance and Passport information is available with this application. The AVRS can be reached at (800) 714-0060.

- ✓ **FAXBACK** - To sign up for FAXBACK please contact the Provider Relations Unit at (800) 624-3958 (Montana providers) or (406) 442-1837 (Helena and Out-of-State providers). FAXBACK can be reached at (800) 714-0075. This function supplies more eligibility information to providers than does AVRS.

FAXBACK and AVRS do not check program benefit limits. Telephone verification of eligibility cannot be relied upon as absolute proof of program benefit limits.

- ✓ **Medicaid Eligibility and Payment System (MEPS)** – Montana Medicaid providers can access recipient eligibility through the Internet. The MEPS system is available via the ‘Medicaid’ kiosk in the DPHHS room of the Montana Virtual Human Services Pavilion: <http://vhsp.dphhs.state.mt.us>. To access MEPS, you must first receive a password from DPHHS. This can be accomplished by printing the MEPS Access Request Form from the MEPS site and mailing it to DPHHS. The MEPS Security Officer will contact you to verify the request and assign your MEPS password. You are required to change the password the first time you log onto MEPS.
- ✓ **ACS Provider Relations** - This unit will also be able to handle eligibility inquiries. If there are issues other than eligibility, this unit would be a more appropriate contact at 1-800-624-3958 (in-state toll-free) or (406) 442-1837 (Helena and out-of-state providers).

F. BILLING PROCEDURES

THE DATE OF SERVICE FOR HEARING AIDS OR REPAIRS IS THE DAY THE HEARING AID OR REPAIR IS ORDERED FROM THE MANUFACTURER. A copy of the invoice must be attached to the claim. No other attachments are required.

The provider bills Medicaid for hearing aids using two separate procedure codes; one for the hearing aid and one for the dispensing fee. The hearing aid must be billed under the appropriate procedure codes included within this manual.

The HCPCS codes for monaural aids require the use of modifiers to identify whether the aid is for the left (LT) or right (RT) ear. Use of the modifiers is mandatory for payment of monaural hearing aids. **Monaural aids billed without the LT or RT modifier will be denied.**

Valid diagnosis codes are mandatory on hearing aid claims. Providers may contact the physician or mid-level practitioner for the appropriate diagnosis code in a particular case.

G. REIMBURSEMENT

The Department will pay the lower of the following for hearing aid services:

- < the provider's usual and customary charge for the service;
- < submitted price on invoice; or
- < the Department's fee schedule.

1. Hearing Aids/Dispensing Fee - prior authorization required

| | | |
|-------|--|--------------------------|
| V5030 | Monaural aid, body worn, air conduction | invoice cost up to \$400 |
| V5040 | Monaural aid, body worn, bone conduction | invoice cost up to \$400 |
| V5050 | Monaural aid, in the ear | invoice cost up to \$400 |
| V5060 | Monaural aid, behind the ear | invoice cost up to \$400 |
| | **Use RT or LT modifier when billing monaural aids** | |
| V5070 | Glasses, air conduction | invoice cost up to \$400 |
| V5080 | Glasses, bone conduction | invoice cost up to \$400 |
| V5100 | Hearing aid, bilateral, body worn | invoice cost up to \$800 |
| V5120 | Binaural, body | invoice cost up to \$800 |
| V5130 | Binaural, in the ear | invoice cost up to \$800 |
| V5140 | Binaural, behind the ear | invoice cost up to \$800 |
| V5150 | Binaural, glasses | invoice cost up to \$800 |
| V5170 | Hearing aid, Cros, in the ear | invoice cost |
| V5180 | Hearing aid, Cros, behind the ear | invoice cost |
| V5190 | Hearing aid, Cros, glasses | invoice cost |
| V5210 | Hearing aid, Bicros, in the ear | invoice cost |
| V5220 | Hearing aid, Bicros, behind the ear | invoice cost |
| V5230 | Hearing aid, Bicros, glasses | invoice cost |
| W2814 | Body aid - left or right ear | invoice cost |
| V5090 | Dispensing Fee - Monaural Aid | \$216.51 |
| V5160 | Dispensing Fee - Binaural Aids | \$324.77 |

2. Services and Supplies – no prior authorization required

| | | |
|-------|--|----------------|
| V5014 | Repair/Modification of a Hearing Aid | invoice cost** |
| | **Must be billed with either RT or LT modifier** | |
| W2805 | Hearing Aid Accessories (Cords, Receivers, Etc.) | invoice cost** |
| W2807 | Hearing Aid Mold - Left | invoice cost** |

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|-------|--------------------------|----------------|
| W2809 | Hearing Aid Mold - Right | invoice cost** |
| W2812 | Hearing Aid Recasting | invoice cost** |
| W2813 | Bone Oscillator | invoice cost** |
| W2815 | Body Aid Repair | invoice cost** |

**A copy of the invoice must be attached to the claim or payment will be limited to \$20.00

3. Handling Fee for Repairs – no prior authorization required

Submit the claims for hearing aid repairs with one charge for each service or supply item provided, based on the above list, and one charge for a handling fee. The handling fee is billed with one of the procedure codes listed below.

| | | |
|-------|---|---------|
| W2816 | Handling Fee for Factory Repair or Ear Mold | \$20.81 |
| W2817 | Handling Fee for Repair in Dispenser's office | BR* |

*Procedures listed as BR are paid at 90% of the provider's submitted charge for the service.

4. Batteries – no prior authorization required

| | | |
|-------|---------------------------------|--------|
| W2658 | Hearing aid Batteries, Per Cell | \$1.21 |
|-------|---------------------------------|--------|

NOTE: The number of hearing aid batteries will be limited to four (4) cells per month per hearing aid. The eight (8) cells per month limit cannot be exceeded unless prior authorization has been received from the Medicaid Services Bureau.

5. Rentals - no prior authorization required

| | | |
|----------|--------------------------------------|--------|
| W2697 RR | Hearing aid rental - Right, per day* | \$1.30 |
| W2698 RR | Hearing aid rental - Left, per day* | \$1.30 |

*Maximum Rental 30 Days

Montana Medicaid does not reimburse for a separate dispensing fee on rentals.